

AMENDED & RESTATED **BY-LAWS**

of the

THE COMMUNITY ACTION ORGANIZATION OF WESTERN NEW YORK, INC.

As recommended by the By-Laws and Nominations Committee, and adopted by the Board of Directors at regularly scheduled meetings held on the 12th day of February 2007; the 2nd day of April 2007; the 10th day of September 2007; the 23rd day of June 2008, the 6th day of April 2009, the 10th day of January, 2011, the 9th day of September, 2013, the 3rd day of November, 2014, the 6th day of September, 2016, ~~and~~ the 1st day of May, 2017, and the [5th day of November, 2018].

This edition of the By-Laws of the Community Action Organization of Western New York, Inc. is substituted in the place and stead of all previous editions of the By-Laws adopted by the Board of Directors.

TABLE OF CONTENTS

Page

ARTICLE I - MEMBERS

Section 1	Members	1
-----------	---------	---

ARTICLE II - BOARD

Section 1	Management of Corporate Affairs	1
Section 2	Number and Qualifications	1
Section 3	Composition	2
(a)	Public Officials	2
(b)	Low-income Representatives	2
(c)	Community Interest Representatives	2
Section 4	Election Procedure	2
(a)	Public Officials	2
(b)	Low-income Representatives	3
(c)	Community Interest Representatives	3
Section 5	Term of Office	3
Section 6	Vacancies	3
Section 7	Resignation	4
Section 8	Removal	4
Section 9	Former Directors	4 <u>5</u>
Section 10	Confidentiality	4 <u>5</u>
Section 11	Compensation	4 <u>5</u>
Section 12	Petition for Adequate Representation	5
(a)	Signed Petition	5
(b)	Open Hearing	5
(c)	Board Vote	5 <u>6</u>
(d)	Notice to the State	5 <u>6</u>
Section 13	Independent Directors	6

ARTICLE III - MEETINGS OF DIRECTORS

Section 1	Regular Meetings	7
Section 2	Special Meetings	7 <u>8</u>
Section 3	Annual Meeting	8
Section 4	Notice of Meetings	8
Section 5	Quorum	8 <u>9</u>
Section 6	Procedure	8 <u>9</u>
Section 7	Action by the Board	9
Section 8	Action Without a Meeting	9

ARTICLE IV - COMMITTEES

Section 1	Committees	9 <u>10</u>
Section 2	Committees of the Board	10

TABLE OF CONTENTS (con't)

	<u>Page</u>
Section 3 Executive Committee	10 <u>11</u>
Section 4 Committees of the Corporation	10 <u>11</u>
Section 5 Audit Committee	11
ARTICLE V - OFFICERS	
Section 1 Election	11 <u>12</u>
Section 2 Term of Office	12
Section 3 Removal	12
Section 4 Resignation	12
Section 5 Vacancies	12 <u>13</u>
Section 6 Duties of Officers May Be Delegated	12 <u>13</u>
Section 7 Compensation	12 <u>13</u>
Section 8 President	13
Section 9 Vice-President	13
Section 10 Secretary	13 <u>14</u>
Section 11 Treasurer	13 <u>14</u>
Section 12 Sergeant-at-Arms	14
ARTICLE VI - INDEMNIFICATION OF DIRECTORS AND OFFICERS	
Section 1 Right of Indemnification	14
Section 2 Advancement of Expenses	14 <u>15</u>
Section 3 Availability and Interpretation	15
Section 4 Other Rights	15 <u>16</u>
Section 5 Severability	15 <u>16</u>
ARTICLE VII - CORPORATE FINANCE	
Section 1 Corporate Funds	16
Section 2 Fiscal Year	16 <u>17</u>
Section 3 Loans to Directors and Officers	16 <u>17</u>
Section 4 Gifts	16 <u>17</u>
Section 5 Income from Corporate Activities	16 <u>17</u>
ARTICLE VIII - CONFLICT OF INTEREST POLICY	
Section 1 Purpose	17
Section 2 Definitions.	17
Section 3 Procedures.	19 <u>20</u>
(a) Duty to Disclose	19 <u>20</u>
(b) Determining Whether a Conflict of Interest Exists	19 <u>20</u>
(c) Procedures for Addressing the Conflict of Interest	20
(d) Additional Procedures for Addressing Certain Conflicts of Interest	20
(e) No Improper Attempts to Influence Vote	20 <u>21</u>
(f) Violations of the Conflicts of Interest Policy	20 <u>21</u>
Section 4 Records of Proceedings	21

TABLE OF CONTENTS (con't)

	<u>Page</u>
Section 5 Compensation	21
Section 6 Initial and Annual Statements	21 <u>22</u>
Section 7 Periodic Reviews	22
ARTICLE IX - WHISTLEBLOWER POLICY	
Section 1 Policy	22 <u>23</u>
Section 2 Reporting Responsibility	23
Section 3 No Retaliation	23 <u>24</u>
Section 4 Acting in Good Faith	23 <u>24</u>
Section 5 Handling of Violation /Complaint	24
Section 6 Attendance at Votes and Deliberations	24
Section 7 Distribution of the Whistleblower Policy	24
ARTICLE X - AMENDMENTS	
Section 1 Procedure for Amending By-Laws	25

AMENDED & RESTATED
BY-LAWS
OF
THE COMMUNITY ACTION ORGANIZATION OF WESTERN NEW YORK, INC.

**A corporation governed by the
Not-for-Profit Corporation Law of New York**

ARTICLE I
MEMBERS

Section 1. Members. The Community Action Organization of Western New York, Inc., (the “Corporation”), being a charitable corporation as defined in section 102 of the New York Not-for-Profit Corporation Law (the “NPCL”), has no members.

ARTICLE II
BOARD

Section 1. Management of Corporate Affairs. Except as otherwise provided by law, the certificate of incorporation of the Corporation or these By-Laws, the activities, property and affairs of the Corporation will be managed by the board of directors (the “Board”).

Section 2. Number and Qualifications. The Board will consist of 18 voting members. The Board may increase or decrease the number of directors of the Corporation by a vote of the majority of the entire Board, provided that the number of voting directors constituting the entire Board must be a number that is evenly divisible by 3 and may not be less than 3. As used in these By-Laws, the term “entire Board” means the total number of directors entitled to vote which the Corporation would have if there were no vacancies. No decrease in the number

of directors will shorten the term of any incumbent director. All of the directors will be at least 18 years of age.

Section 3. Composition. The Board will be composed of three classes of directors, as follows:

(a) Public Officials. Exactly one-third of the directors will be elected public officials who represent citizens residing in Erie or Niagara County for the delivery of services and who hold office in Erie or Niagara County on the date of selection, or their designees, except that if the number of such elected officials/designees reasonably available and willing to serve on the Board is less than one-third of the membership of the Board, appointed public officials in Erie or Niagara County who represent citizens residing in the Corporation's target areas for the delivery of services, or their designees, may be counted in meeting the one-third requirement.

(b) Low-income Representatives. At least one-third of the directors will be persons chosen in a democratic selection process that assures they are representative of low-income individuals and families living in Erie or Niagara County. In addition, the individual nominated by the Policy Council (PC) to serve on the Board shall be included in the Low-Income Representatives category, once approved by a majority of the Board of Directors.

(c) Community Interest Representatives. Any remaining directors will be officials or members of business, industry, labor, religious, law enforcement, education or other major groups and interests in Erie ~~County~~ and Niagara Counties. It is the intention of the Board that at least one member in the Community Interest category be a youth between the ages of 18 to 25 years of age at the time of appointment to the Board.

Section 4. Election Procedure. Except as otherwise provided by law or these By-Laws, each director of the Corporation will be elected at an annual meeting of the Board.

(a) Public Officials. Elected officials or their designees and appointed public officials or their designees who are interested in serving on the Board will notify the President in writing of their availability and willingness to serve. The Board, by plurality vote, will elect individuals from this pool of candidates to fill Public Official directorships, provided that appointed public officials or their designees may be elected to fill directorships only after the pool of available and willing elected public officials and/or their designees has been exhausted.

(b) Low-income Representatives. Individuals to fill Low-income Representative directorships will be elected by majority vote of the Board. Annually the By-Laws and Nominations Committee will review the geographic areas in Erie ~~County~~ and Niagara Counties with the highest concentrations of poverty and will recruit members from the under-represented areas.

(c) Community Interest Representatives. Eligible organizations, institutions, businesses, interests or individuals may nominate a candidate to be a Community Interest Representative on the Board by providing the President, in writing, with the name and address of the proposed candidate. The Board also may solicit such nominations. The Board, by plurality vote, will elect individuals from this pool of candidates to fill Community Interest Representative directorships.

Section 5. Term of Office. Except as otherwise provided by law or these By-Laws, each director of the Corporation will hold office for a period of up to 3 years, with terms expiring on June 30 of the last year of the 3-year term, and until the director's successor is elected and qualified. No director will be permitted to serve for more than three consecutive 3-year terms.

Section 6. Vacancies. Newly created directorships resulting from an increase in the number of directors and vacancies occurring in the Board for any reason may be filled by a vote of a majority of the directors then in office. Vacancies will be filled in a manner that maintains the Board composition described in Section 3 of this Article II. When a vacancy occurs in any sector the By-Laws and Nomination Committee will initiate the process previously described in Section 4 (and wherever else applicable) to fill vacancies~~;~~ provided, however, for the avoidance of doubt, that where a vacancy arises from the resignation or removal of a Public Official's designee by the Public Official that appointed such designee, the Public Official that appointed such designee (so long as he or she still holds office as a Public Official) may appoint the successor to such designee for the remainder of the applicable term, subject to the election of such appointed successor designee to the vacancy by majority vote of the Board.

Section 7. Resignation. Any director may resign at any time by giving a written resignation to the President, the Vice President or the Secretary. A resignation will be effective upon delivery unless it specifies an effective date, in which case the resignation is effective at the time specified. Unless the resignation specifies otherwise, Board acceptance of the resignation is not necessary to make it effective. ~~The Board will be notified in writing of the resignation of a director within 7 days of the receipt of such director's written resignation.~~

Section 8. Removal. Any director may be removed for cause by the affirmative vote of a majority of the Board at any meeting of the Board, provided that there is a quorum present. Absence from more than 3 consecutive meetings of the Board from annual meeting to annual meeting, without limitation, may be considered cause for removal. The By-Laws and Nominations Committee will monitor attendance and make recommendations to the board for consideration or action. Any director subject to removal will be given 30 days' notice of his or

her possible removal. In addition to the foregoing, each Public Official may remove his or her designee, if any, with or without cause. Also, any Public Official serving as director, or his or her designee director, shall be deemed automatically removed from office as a director as of such date as such Public Official no longer holds public office, thereby creating a vacancy to be filled by the Board in accordance with Section 6 of this Article.

Section 9. Former Directors. A former director of the Corporation may not be employed directly or indirectly by the Corporation unless six (6) months has elapsed since the date such person last served as a director of the Corporation.

Section 10. Confidentiality. Directors will treat as confidential all matters involving the Corporation until there has been a general public disclosure or unless the information is a matter of public record. Any violation of this section will, without limitation, be considered cause for removal under Section 8 of this Article II.

Section 11. Compensation. No director will be compensated for serving as a director, except that the Corporation may reimburse directors for expenses necessarily incurred in effecting one or more of the corporate purposes of the Corporation, provided that such expenses are approved by the President or the Board.

Section 12. Petition for Adequate Representation. A low-income individual, a representative of low-income individuals, or a community or religious organization or its representative, that considers low-income individuals (or, in the case of an organization or its representative, that organization) to be inadequately represented on the Board may petition for adequate representation by submitting a signed, written petition to the President.

(a) Signed Petition. A petition by a community or religious organization or its representative must be signed by an officer of the organization and must include a copy of the resolution adopted by the Board of the organization authorizing the petition.

(b) Open Hearing. All petitions received by the President will be reviewed by the By-Laws and Nominations Committee. If that Committee determines that a petition presents a *bona fide* case of inadequate representation, the Committee will arrange for an open hearing on the matter at the next regularly scheduled meeting of the Board, providing that at least ten days notice of such hearing is given to each director and to the petitioner(s).

(c) Board Vote. Following the open hearing, the Board will vote on whether the petitioner(s) demonstrated a need for representation on the Board. If the Board votes in favor of such representation, the Board will alter the number of Board members or the composition of the Board to accommodate such representation; provided, however, that the tripartite composition of the Board will continue as required by law.

(d) Notice to the State. Within five days of the Board's action, the Secretary will notify the petitioner(s) and the Department of State, Division of Community Services, in writing, of the action taken by the Board.

Section 13. Independent Directors.

The term "Independent Director" shall have the following meaning as set forth in Section 102(a)(21) of the NPCL, as may be amended from time to time: An Independent Director means a director who:

- (i) is not, and has not been within the last three years, an employee or a key person of the Corporation or an affiliate of the Corporation, and does not have a relative who is, or has been within the last three years, a key person of the Corporation or an affiliate of the Corporation;

- (ii) has not received, and does not have a relative who has received, in any of the last three fiscal years, more than ten thousand dollars in direct compensation from the Corporation or an affiliate of the Corporation;
- (iii) is not a current employee of or does not have a substantial financial interest in, and does not have a relative who is a current officer of or has a substantial financial interest in, any entity that has provided payments, property or services to, or received payments, property or services from, the Corporation or an affiliate of the Corporation if the amount paid by the Corporation to the entity or received by the Corporation from the entity for such property or services, in any of the last three fiscal years, exceeded the lesser of ten thousand dollars or two percent of such entity's consolidated gross revenues if the entity's consolidated gross revenue was less than five hundred thousand dollars; twenty-five thousand dollars if the entity's consolidated gross revenue was five hundred thousand dollars or more but less than ten million dollars; one hundred thousand dollars if the entity's consolidated gross revenue was ten million dollars or more; or
- (iv) is not and does not have a relative who is a current owner, whether wholly or partially, director, officer or employee of the Corporation's outside auditor or who has worked on the Corporation's audit at any time during the past three years.

For purposes of the above, the term "compensation" does not include reimbursement for expenses reasonably incurred as a director or reasonable compensation for service as a director as permitted by Section 202(a) (General and special powers) of the NPCL; and the term "payment" does not include charitable contributions, dues or fees paid to the Corporation for services which the Corporation performs as part of its nonprofit purposes, or payments made by the Corporation at fixed or non-negotiable rates or amounts for services received, provided that such services by and to the Corporation are available to individual members of the public on the same terms, and such services received by the Corporation are not available from another source.

(b) The Audit Committee, if any, or the Independent Directors on the Board or a committee of the Board comprised solely of Independent Directors, shall oversee the Corporation's audit matters pursuant to the terms of Article IV, Section 5 (Audit Committee).

ARTICLE III **MEETINGS OF DIRECTORS**

Section 1. Regular Meetings. Regular meetings of the Board, for the transaction of business set forth in the notice of the meeting, will be held at a time and place determined by the Board and specified in the notice of the meeting, and will be conducted alternately in the mornings and in the evenings in a manner that is convenient to a majority of the directors. From Annual meeting to Annual Meeting, the Board will meet at least 4 times. Any one or more members of the Board or any committee thereof may participate in a meeting of the Board or committee by means of a conference telephone or other video communications equipment or electronic video screen communication allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 2. Special Meetings. Special meetings of the Board may be called at any time by the President, or in his or her absence or disability, the Vice-President, and must be called by such officer on written request by 3 directors. [Such request will detail the purpose or purposes for which the meeting is to be called.](#) Each special meeting of the Board will be held at a time and place [and for the purpose or purposes](#) determined by the person calling the meeting and specified in [detail in](#) the notice of the meeting.

Section 3. Annual Meeting. The annual meeting of the Board will be the regular meeting held in June of each year, or such other regular meeting designated by the Board.

Section 4. Notice of Meetings. Notice of each regular or special meeting of the Board stating the time and place of the meeting will be given by the President, the Vice-President or the Secretary to each member of the Board at least 3 days before the meeting, by mailing the notice, postage prepaid, addressed to each member of the Board at his or her residence or usual place of business, or by delivering the notice personally, by fax, by electronic mail or by telephone. A director's attendance at a meeting without protesting, before or at the commencement of such meeting, the lack of notice to him or her constitutes waiver of notice. A director also may waive notice by submitting a waiver of notice before or after a meeting. Such waiver of notice may be written or electronic. If written, the waiver must be executed by the director signing such waiver or causing his or her signature to be affixed to such waiver by any reasonable means including, but not limited to, facsimile signature. If electronic, the transmission of the waiver must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the transmission was authorized by the director.

Section 5. Quorum. At all meetings of the Board, except as otherwise provided by law, the Certificate of Incorporation or these By-Laws, the presence of one-third of the entire Board shall constitute a quorum.

Section 6. Procedure. The order of business and all other matters of attendance and procedure at the meetings of the Board will be determined by the person presiding at the meeting. The Board will keep complete and accurate minutes of all meetings of the Board.

Section 7. Action by the Board. Except as otherwise provided by law, the certificate of incorporation or these By-Laws, the vote of a majority of the directors will decide any question that may come before the meeting. A majority of the directors present, whether or

not a quorum is present, may adjourn any meeting to another time or place. Notice of such adjournment will be given to directors who were not present at the time of the adjournment and, unless the time and place are announced at the meeting, to the other directors.

Section 8. Action Without a Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board consent in writing to the adoption of a resolution authorizing the action. Such consent may be written or electronic. If written, the consent must be executed by the director by signing such consent or causing his or her signature to be affixed to such consent by any reasonable means including, but not limited to, facsimile signature. If electronic, the transmission of the consent must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the transmission was authorized by the director. The resolution and the written consents will be filed with the minutes of the proceedings of the Board.

ARTICLE IV **COMMITTEES**

Section 1. Committees. The Board may from time to time designate committees of the Board and committees of the Corporation. Except as otherwise provided in these By-Laws, all committees and members thereof shall serve at the pleasure of the Board. Committees will meet at such times and places as the chair of the committee determines and the notice of the meeting specifies. Meetings of committees of the Board will be governed by the provisions in these By-Laws governing the meetings of the Board, except that notice of meetings of the Executive Committee may be given not less than twenty-four hours before such meeting. Each committee will keep regular minutes of its proceedings and report its actions to the Board when required.

Section 2. Committees of the Board. The Board, by resolution or resolutions adopted by a majority of the entire Board, may designate from among its members an Executive Committee, and such other committees as the Board may, from time to time, determine. Each committee of the Board will consist of 3 or more directors and will fairly reflect the composition of the full Board; each director will serve on at least one committee of the Board. The Board also may designate one or more directors as alternate members of any committee of the Board who may replace any absent member or members at any meeting of such committee. Committees of the Board, to the extent provided in the resolution establishing the committee, have all the authority of the Board except as otherwise provided by law.

Section 3. Executive Committee. The Executive Committee will consist of the President, Vice-President, Treasurer, Secretary, Sergeant-at-Arms, and 3 other directors, provided that at least one-third of the members of the committee will be Low Income Representatives. The Executive Committee will review and recommend policies affecting the Corporation, advise the President on the Board agenda, and approve committee assignments. In the interim between meetings of the Board, the Executive Committee has all the authority of the Board except as otherwise provided by law. All acts done and power and authority conferred by the Executive Committee within the scope of its authority are deemed to be, and may be specified as being, the acts of and under the authority of the Board.

Section 4. Committees of the Corporation. In addition to committees of the Board, the Board or the President may create committees of the Corporation, to serve at the pleasure of the Board and to perform tasks assigned by the Board. Persons other than directors may serve on such committees. Such committees have no authority to act on behalf of the Board.

Section 5. Audit Committee. The Audit Committee, if appointed, will be a committee of the Board and will consist solely of Independent Directors. The Audit Committee shall oversee the accounting and financial reporting processes of the Corporation and any audit of the Corporation's financial statements. The Audit Committee shall annually retain or renew the retention of an independent auditor to conduct the audit and, upon completion thereof, review the results of the audit and any related management letter with the independent auditor. In addition, such Audit Committee shall (a) review with the independent auditor the scope and planning of the audit prior to the audit's commencement; (b) upon completion of the audit, review and discuss with the independent auditor any material risks and weaknesses in internal controls identified by the auditor, any restrictions on the scope of the auditor's activities or access to requested information, any significant disagreements between the auditor and management, and the adequacy of the corporation's accounting and financial reporting processes; (c) annually consider the performance and independence of the independent auditor; and (d) report on the Audit Committee's activities to the Board. In the absence of an Audit Committee, all of the foregoing audit oversight obligations in this Section 5 shall be performed by the Independent Directors of the Board or by another committee of the Board comprised solely of Independent Directors.

ARTICLE V **OFFICERS**

Section 1. Election. At its annual meeting, the Board will elect a President, a Vice-President, a Secretary, a Treasurer, and a Sergeant-at-Arms. The Board may from time to time elect additional officers having titles, authority and duties determined by the Board. Officers will be elected by majority vote.

Section 2. Term of Office. Unless otherwise determined by the Board, officers will hold office until the next annual meeting of the Board and until their successors have been elected and qualified.

Section 3. Removal. Any officer may be removed or have his or her authority suspended by the Board at any time, with or without cause.

Section 4. Resignation. Any officer may resign at any time by giving a resignation in writing to the Board, the President or the Secretary. A resignation will be effective upon delivery unless it specifies an effective date, in which case the resignation is effective at the time specified. Unless the resignation specifies otherwise, Board acceptance of the resignation is not necessary to make it effective.

Section 5. Vacancies. If any Board office becomes vacant for any reason, the Board will hold an election to fill the unexpired term.

Section 6. Duties of Officers May Be Delegated. If an officer is absent or unable to perform his or her duties, or for any other reason that the Board deems sufficient, the Board, except where otherwise provided by law, may delegate the powers or duties of any officer to any other officer or to any director.

Section 7. Compensation. No officer will be compensated for serving as an officer, except that the Corporation may reimburse officers for expenses necessarily incurred in effecting one or more of the corporate purposes of the Corporation, provided that such expenses are approved by the President or the Board.

Section 8. President. The President will have the general powers and duties of supervision and management of the Corporation and will perform all such other duties as usually pertain to the office or are properly required by the Board. The President will preside at all the meetings of the Board and will appoint the members and chairs of all committees, subject to the approval of a majority of the entire Board. No employee of the Corporation shall serve as President or hold any other title with similar responsibilities unless such employee is elected President or such other title with similar responsibilities by at least a two-thirds vote of the entire Board, provided that the Board contemporaneously documents in writing the basis for such approval.

Section 9. Vice-President. The Vice-President will, in the absence or at the request of the President, perform the duties and exercise the powers of the President, and will have such powers and perform such duties as usually pertain to the office or as are properly required by the Board.

Section 10. Secretary. The Secretary will keep the minutes of the Board. He or she will: have the custody of the seal of the Corporation and will affix and attest the same to documents when duly authorized by the Board; will attend to the giving and serving of all notices of the Corporation; will have charge of such books and papers as the Board may direct; will attend to such correspondence as may be assigned; and will perform all duties incidental to the office.

Section 11. Treasurer. The Treasurer will monitor the financial activities for the Corporation and report to the Board. The Treasurer will perform such other duties from time to

time as may be assigned by the Board. The Treasurer will present the annual audited report to the Board setting forth in full the financial resources of the Corporation.

Section 12. Sergeant-at-Arms. The Sergeant-at-Arms will preserve order at meetings of the Board.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. Right of Indemnification. Each director and officer of the Corporation, whether or not then in office, and any person whose testator or intestate was such a director or officer, will be indemnified by the Corporation for the defense of, or in connection with, any threatened, pending or completed actions or proceedings and appeals therein, whether civil, criminal, administrative or investigative, in accordance with and to the fullest extent permitted by the NPCL or other applicable law, as such law now exists or may subsequently be adopted or amended; provided, however, that the Corporation will provide indemnification in connection with an action or proceeding (or part thereof) initiated by such a director or officer only if that action or proceeding (or part thereof) was authorized by the Board.

Section 2. Advancement of Expenses. Expenses incurred by a director or officer in connection with any action or proceeding as to which indemnification may be given under Section 1 of this Article VI may be paid by the Corporation in advance of the final disposition of the action or proceeding upon (a) the receipt of an undertaking by or on behalf of the director or officer to repay the advance if the director or officer is ultimately found not to be entitled to indemnification as authorized by this Article VI and (b) approval by the Board acting by a quorum consisting of directors who are not parties to the action or proceeding or, if such a quorum is not obtainable, then by vote of a majority of the entire Board. To the extent permitted

by law, the Board will not be required to find that the director or officer has met the applicable standard of conduct provided by law for indemnification in connection with an action or proceeding before the Corporation makes any advance payment of expenses under this provision.

Section 3. Availability and Interpretation. To the extent permitted under applicable law, the rights of indemnification and to the advancement of expenses provided in this Article VI (a) will be available with respect to events occurring prior to the adoption of this Article VI, (b) will continue to exist after any rescission or restrictive amendment of this Article VI with respect to events occurring prior to such rescission or amendment, (c) will be interpreted on the basis of applicable law in effect at the time of the occurrence of the event or events giving rise to the action or proceeding or, at the sole discretion of the director or officer (or, if applicable, at the sole discretion of the testator or intestate of the director or officer seeking such rights), on the basis of applicable law in effect at the time the rights are claimed, and (d) will be in the nature of contract rights that may be enforced in any court of competent jurisdiction as if the Corporation and the director or officer for whom such rights are sought were parties to a separate written agreement.

Section 4. Other Rights. The rights of indemnification and to the advancement of expenses provided in this Article VI will not be deemed exclusive of any other rights to which any director or officer of the Corporation or other person may now or subsequently be otherwise entitled, whether contained in the certificate of incorporation, these By-Laws, a resolution of the Board or an agreement providing for such indemnification; the creation of such other rights is hereby expressly authorized. Without limiting the generality of this section, the rights of indemnification and to the advancement of expenses provided in this Article VI will not be deemed exclusive of any rights, pursuant to statute or otherwise, of any director or officer or other person in any action or proceeding to have his or her costs and expenses assessed or allowed in his or her favor, against the Corporation or otherwise.

Section 5. Severability. If this Article VI or any part of it is held unenforceable in any respect by a court of competent jurisdiction, it will be deemed modified to the minimum extent necessary to make it enforceable, and the remainder of this Article VI will remain fully enforceable. Any payments made pursuant to this Article VI will be made only out of funds legally available for such payments.

ARTICLE VII **CORPORATE FINANCE**

Section 1. Corporate Funds. The funds of the Corporation will be deposited in its name with banks or other depositories designated by the Board. All checks, notes, drafts and other negotiable instruments of the Corporation will be signed only by those officers, agents or employees authorized by the Board to sign. No officers, agents or employees of the Corporation, alone or with others, have the power to make any checks, notes, drafts or other negotiable instruments in the name of the Corporation or to bind the Corporation thereby, except as provided in this section.

Section 2. Fiscal Year. The fiscal year of the Corporation will begin March 1st and end the last day of February unless otherwise determined by the Board.

Section 3. Loans to Directors and Officers. No loans will be made by the Corporation to its directors or officers.

Section 4. Gifts. The Board, the Executive Committee or any authorized officer, employee or agent of the Corporation may accept on behalf of the Corporation any contribution, gift, bequest or devise for any general or special purpose or purposes of the Corporation.

Section 5. Income from Corporate Activities. All income from activities of the Corporation will be applied to the maintenance, expansion or operation of the lawful activities of the Corporation.

ARTICLE VIII
CONFLICT OF INTEREST POLICY

Section 1. Purpose. The purpose of the conflict of interest policy is to protect the Corporation's interest when it is contemplating entering into a Related Party Transaction, or other transaction or arrangement that might benefit the private interest of an officer, director, or Key Person or might result in a possible excess benefit transaction. This policy supplements but does not replace any other applicable state and federal laws governing Conflicts of Interest applicable to the Corporation.

Section 2. Definitions.

(a) "Interested Person": An Interested Person is any (i) Related Party or (ii) any director, officer, Key Person or member of a committee with Board-delegated powers, who has a direct or indirect Financial Interest, or who has any other interest or relationship that could reasonably be viewed as having the potential to affect his or her decision-making judgment.

(b) "Financial Interest": A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

(i) an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,

(ii) a Compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or

(iii) a potential ownership or investment interest in, or Compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

(c) "Compensation" includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

(d) A “Conflict of Interest” shall exist (i) when an Interested Person has a Financial Interest in a proposed transaction, or (ii) with respect to all proposed Related Party Transactions or (iii) if the Deciding Body makes the determination in its sole discretion that a Conflict of Interest exists.

(e) “Deciding Body” means the Board, or a committee thereof appointed by the Board, which is responsible for overseeing the implementation of and compliance with the Corporation’s Conflict of Interest Policy.

(f) “Relative” of an individual, as set forth in Section 102(a)(22) of the NPCL, as may be amended from time to time, means (i) his or her spouse or domestic partner as defined in section twenty-nine hundred ninety-four-a of the public health law; (ii) his or her ancestors, brothers and sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren, great-grandchildren; or (iii) the spouse or domestic partner of his or her brothers, sisters, children, grandchildren, and great-grandchildren.

(g) “Related Party” as set forth in Section 102(a)(23) of the NPCL, as may be amended from time to time, means (i) any director, officer or key person of the Corporation or any affiliate of the Corporation; (ii) any relative of any director, officer, or key person of the Corporation or any affiliate; or (iii) any entity in which an individual described in clause (i) or (ii) has a 35% or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of 5%. Said information shall be disclosed to the Corporation by a director upon joining the Board and annually thereafter.

(h) “Related Party Transaction” as set forth in Section 102(a)(24) of the NPCL, as may be amended from time to time, means any transaction, agreement, or other arrangement in which a “related party” has a financial interest and in which the Corporation or

any of its affiliates is a participant, except that a transaction shall not be a related party transaction if: (i) the transaction or the related party's financial interest in the transaction is *de minimis*, (ii) the transaction would not customarily be reviewed by the board or boards of similar organizations in the ordinary course of business and is available to others on the same or similar terms, or (iii) the transaction constitutes a benefit provided to a related party solely as a member of a class of the beneficiaries that the Corporation intends to benefit as part of the accomplishment of its mission which benefit is available to all similarly situated members of the same class on the same terms.

(i) "Key Person" as set forth in Section 102(a)(25) of the NPCL, as may be amended from time to time, means any person other than a director or officer, whether or not an employee of the Corporation, who (i) has responsibilities, or exercises powers or influence over the Corporation as a whole similar to the responsibilities, powers, or influence of directors and officers; (ii) manages the Corporation, or a segment of the Corporation that represents a substantial portion of the activities, assets, income or expenses of the Corporation; or (iii) alone or with others controls or determines a substantial portion of the Corporation's capital expenditures or operating budget.

(j) "Affiliate" as set forth in Section 102(a)(19) of the NPCL, as may be amended from time to time, means any entity controlled by, or in control of, such Corporation.

Section 3. Procedures.

(a) Duty to Disclose. In connection with any actual or possible Conflict of Interest, an Interested Person must disclose the existence of the financial or other interest and be given the opportunity to disclose all material facts to the Deciding Body.

(b) Determining Whether a Conflict of Interest Exists. After disclosure of the interest and all material facts, and after any discussion with the Interested Person, he or she will leave the Deciding Body's meeting while the determination of a Conflict of Interest is discussed and voted upon. The remaining Deciding Body members will decide if a Conflict of Interest exists.

(c) Procedures for Addressing the Conflict of Interest. The Deciding Body will determine by a majority vote of the disinterested directors whether the transaction or arrangement is fair, reasonable and in the Corporation's best interest. In conformity with the above determination it will make its decision as to whether to enter into the transaction or arrangement.

(d) Additional Procedures for Addressing Certain Conflicts of Interest. The Corporation shall not enter into a Related Party Transaction unless the transaction is determined by the Deciding Body to be fair, reasonable and in the Corporation's best interest at the time of such determination. Any director, officer or Key Person who has an interest in a Related Party Transaction shall disclose in good faith to the Deciding Body the material facts concerning such interest. In addition, with respect to any Related Party Transaction in which a Related Party has a substantial Financial Interest, the Deciding Body shall: (i) prior to entering into the transaction, consider alternative transactions to the extent available; (ii) approve the transaction by not less than a majority vote of the directors or committee members present at the meeting; and (iii) contemporaneously document in writing the basis for the Deciding Body's approval, including its consideration of any alternative transactions.

(e) No Improper Attempts to Influence Vote. The Interested Person with the Conflict of Interest is prohibited from making any attempt to influence improperly the deliberation or voting on the matter giving rise to the Conflict of Interest.

(f) Violations of the Conflicts of Interest Policy. If the Deciding Body has reasonable cause to believe that an individual has failed to disclose actual or possible Conflicts of Interest, it will inform the individual of the basis for such belief and afford the individual an opportunity to explain the alleged failure to disclose. If, after hearing the individual's response and after making further investigation as warranted by the circumstances, the Deciding Body determines the individual has failed to disclose an actual or possible Conflict of Interest, it will take appropriate disciplinary and corrective action.

Section 4. Records of Proceedings. The minutes of the Deciding Body's meeting will contain the names of persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible Conflict of Interest, the nature of the Financial Interest, any action taken to determine whether a Conflict of Interest was present, the Deciding Body's decision as to whether a Conflict of Interest in fact existed, the names of persons who were present for discussions, the content of the discussion including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Compensation. Any person (or family member of such person) who receives Compensation or other payment, directly or indirectly, from the Corporation is precluded from voting on matters pertaining to his/her Compensation or other payment. Notwithstanding the previous sentence, no director will be prohibited from deliberating or voting concerning Compensation for service on the Board that is to be made available or provided to all directors of the Corporation on the same or substantially similar terms. Directors who receive Compensation, directly or indirectly, from the Corporation may provide information to the Deciding Body regarding Compensation.

Section 6. Initial and Annual Statements. Each director will annually sign a statement which affirms that he or she is aware of and understands the Corporation's Conflict of Interest policy, has agreed to comply with the policy, and understands that the Corporation is charitable and, in order to maintain its federal tax exemption, it must engage primarily in activities that accomplish one or more of its tax-exempt purposes. In addition, each director shall initially (prior to his or her initial election) and annually thereafter complete, sign and submit to the Secretary of the Corporation (or a designated compliance officer) a written statement identifying, to the best of his or her knowledge, any entity of which such director is an officer, director, trustee, member, owner (either as a sole proprietor or a partner), or employee and with which the Corporation has a relationship, and any transaction in which the Corporation is a participant and in which the director might have a Conflict of Interest. The Secretary of the Corporation (or a designated compliance officer) shall provide a copy of all completed statements to the Chair of the Deciding Body.

Section 7. Periodic Reviews. To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its Section 501(c)(3) tax-exempt status, the Board will conduct periodic reviews, including, at a minimum, whether Compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining, and whether any partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit or in an excess benefit transaction. The Corporation may, but need not, use outside advisors to

assist it in its periodic reviews. If outside advisors are used, their use will not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE IX

WHISTLEBLOWER POLICY

Section 1. Policy. It is the intent of the Community Action Organization of Western New York, Inc. (“CAO”) to adhere to all laws and regulations that apply to the organization. Therefore, the underlying purpose of this policy is to support the organization’s goal of legal compliance. The support of all employees, officers, directors, and volunteers is necessary to achieving compliance with governing laws and regulations. This Policy is intended to encourage and enable employees as well as officers, directors, and volunteers to raise serious concerns within the agency prior to seeking resolution outside of the organization.

Section 2. Reporting Responsibility. It is the responsibility of all directors, officers, employees and volunteers of CAO to report violations or suspected violations in accordance with this policy. If any employee, officer, director, or volunteer reasonably believes that some policy, practice, or activity of the CAO is in violation of the law, a written complaint must be filed by that individual with the Executive Director or the Chair of the CAO Board of Directors (each a “Designated Official”). Any Designated Official receiving such a report shall (a) notify the sender within five business days that the complaint has been received, and (b) promptly provide written notice of the complaint to the Board or a designated Board committee; provided that directors who are employees of the Corporation may not participate in an any Board or committee deliberations or voting relating to administration of this policy.

Section 3. No Retaliation. No director, officer or employee who in good faith reports a perceived or actual violation of the law shall suffer intimidation, harassment,

discrimination or other retaliation or, in the case of employees, adverse employment consequence. An employee who retaliates against someone who has reported a violation, in good faith, is subject to discipline up to and including termination of employment.

Section 4. Acting in Good Faith. An employee who files a complaint of a violation or suspected violation of the law must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of laws or regulations governing the Agency. Allegations that prove to be unsubstantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Section 5. Handling of Violation /Complaint. The Board, designated Board committee or, if so delegated, the Designated Official(s) receiving such notice, shall investigate all reports filed in accordance with this policy with due care and promptness. Reported matters will be investigated to determine if the allegations are true, whether the issue is material, and what actions, if any, are necessary to correct the problem. Investigators will issue a full report of all matters raised under this policy to the Board or designated committee. The Board or designated committee may conduct a further investigation upon receiving such a report.

Section 6. Attendance at Votes and Deliberations. No person shall be present at, or otherwise participate in, any deliberations or voting upon Whistleblower Policy matters if such presence or participation is prohibited by law, including Section 715-b of the NPCL.

Section 7. Distribution of the Whistleblower Policy. A copy of this policy shall be distributed to all directors, officers, employees and to volunteers of the organization who provide substantial services to the organization. Distribution may include direct distribution of physical or electronic copies, the posting of this policy on the organization's website, or the posting of

this policy at the organization's offices in a conspicuous location accessible to all directors, officers, employees and volunteers.

ARTICLE X **AMENDMENTS**

Section 1. Procedure for Amending By-Laws. By-Laws of the Corporation may be adopted, amended, or repealed at any meeting of the Board, notice of which detailed the proposed action, by a 2/3 vote of those present.

Amendments Adopted: ~~May 1~~ _____, ~~2017~~2018

Amended - 2/12/07
Amended - 4/2/07
Amended - 9/10/07
Amended - 6/23/08
Amended - 4/6/09
Amended - 1/10/11
Amended - 9/9/13
Amended - 11/3/2014
Amended - 9/6/2016
Amended - 5/1/2017
Amended - [/ /2018]